

MINIMUM STANDARDS FOR FIXED BASE OPERATORS

MINIMUM STANDARDS FOR FIXED BASE OPERATORS
AND AIRPORT TENANTS AT THE DOUGLAS MUNICIPAL AIRPORT
DOUGLAS, ARIZONA

The owner(s) of the Douglas Municipal Airport shall hereinafter be referred to as the "Airport Sponsor" or "Lessor".

The following minimum standards and requirements for commercial aeronautical activities have been established in the interest for the safe and efficient operation of the Douglas Municipal Airport; to enhance its orderly growth; to preclude the granting of an exclusive right to conduct an aeronautical activity in violation of Section 308(a) of the Federal Aviation Act of 1958; to conform to Title VI of the Civil Rights Act of 1964 and Part 21 of the Department of Transportation Regulations; and to assure to all lessees that availability of airport property on fair and reasonable terms and without unjust discrimination.

1. A Fixed Base Operator is defined as any person, firm, or corporation performing any of the functions or furnishing any of the services as hereinafter set out for fixed base operators at the Douglas Municipal Airport. No person, firm, or corporation shall engage in any commercial activity as a Fixed Base Operator as herein defined unless the same is done in full compliance with the standards, rules and regulations herein set forth.
2. An Airport Tenant is defined as any person, firm, or corporation leasing property at the Douglas Municipal Airport for aeronautical purposes who is not a Fixed Base Operator. An Airport Tenant may hangar his aircraft on his leased property subject to the provisions of Category "L" hereof.
3. All Fixed Base Operators and Airport Tenants shall protect the public generally, the customers or clients of such Fixed Base Operators, and the City of Douglas, Cochise County and the State of Arizona from any and all lawful damages, claims or liability and shall carry comprehensive general liability insurance in a company authorized to do business in the State of Arizona with limits as prescribed in the respective categories, with the Airport Sponsor and Airport Authority named as additional insured, which policies must be approved by the Airport Authority and a certificate of insurance thereof furnished to the Airport Sponsor. It is further understood that as circumstances in the future dictate, the Airport Sponsor may require an increase in bodily injury and property damage insurance.
4. A Fixed Base Operator shall satisfy the Lessor that it is technically and financially able to perform the services of a Fixed Base Operator. This shall include the responsibility for demonstrating continued financial

solvency and business ability by the submitting an annual balance sheet, credit references and any other proof that the Lessor may require from time to time. In cases of doubt by the Lessor to such ability of a Fixed Base Operator, the Lessor may conduct a hearing to determine appropriate action. In each instance, the lessor shall be the final judge as to the qualifications and financial ability of the Lessee.

The Lessor will not accept an original request to lease land area unless the proposed Lessee puts forth in the writing a proposal which sets forth the scope of operation he proposes, including the following:

- A. The services he will offer.
 - B. The amount of land he desires to lease.
 - C. The building space he will construct or lease.
 - D. The number of aircraft he will provide.
 - E. The number of persons he will employ.
 - F. The hours of proposed operation.
 - G. The amount and types of insurance coverage he will maintain.
 - H. Evidence of his financial capability to perform and provide the above services and facilities.
5. Any person, firm, or corporation capable of meeting the minimum standards set forth herein for any of the stated Fixed Base Operator categories is eligible to become a Fixed Base Operator at the airport, subject to the execution of a written lease for not less than 5 years containing such terms and conditions as may be determined by the Lessor. A Fixed Base Operator or Airport Tenant shall not engage in any business or activity on the airport other than that authorized under his particular category or categories. Any Fixed Base Operator desiring to extend his operation into more than one category or to discontinue operations in a category, shall first apply in writing to the Lessor for permission to do so, setting forth in detail the reasons and conditions for the request. The Lessor shall then grant or deny the request on such terms and conditions as the Lessor deems to be prudent and proper under the circumstances. Each Fixed Base Operator shall provide his own buildings, personnel and equipment, and other requirements as herein stated upon land leased from the Lessor.

6. All Fixed Base Operators at said airport shall provide ample lounges and rest rooms for their customers and shall make telephone service conveniently and readily available for public use.
7. All construction required of such operators shall be in accordance with design and construction standards required or established by the Lessor for the facility or activity involved. Title to any and all buildings and appurtenances, which may be built on Lessor property, shall revert to the Lessor, when and if the subject Lessee vacates the lease for any reason. All operators shall be required to furnish the Lessor payment and performance bonds commensurate with any construction required under the standards herein fixed or under any contract or lease by and between such operator and the Lessor.
8. The rates or charges for any and all activities and services of such operators shall be determined by the operators, subject to the approval of the Lessor, and subject, further, to the requirement that all such rates or charges shall be reasonable and be equally and fairly applied to all users of the services.
9. All operators at the airport shall be full time, financially sound and progressive business enterprises, with adequately manned and equipped facilities, including ample office facilities, and who observe normal or specifically required business hours.
10. All Fixed Base Operators shall, at their own expense, pay all taxes and assessments against any buildings or other structures placed on the premises by them, as well as all taxes and assessments against the personal property used by them in their operations.
11. All operators shall abide by and comply with all state, county, and city laws and ordinances, the rules and regulations of the Lessor, and the rules and regulations of the State Department of Transportation and Federal Aviation Administration (FAA).
12. In the event the Lessor constructs the physical plant facilities (hangars, etc.) for use by any operator under the provisions of any lease or other contract, such lease or contract with such operators shall be on such terms and conditions as to guarantee a full return of the investment within 10 years, plus interest and reasonable rental for use during such period.
13. All operators shall provide and pay for all lights, gas, electrical current, water, sewer charges, and garbage collection charges used or incurred anywhere in or about the leased premises, and shall pay the charges made therefore by the suppliers thereof promptly when due.

14. All contracts and leases between such operators and the Lessor shall be subordinate to the provisions of any existing or future agreement(s) between the City of Douglas, Cochise County, State of Arizona, and the United States, relative to the operation or maintenance of the Airport.
15. No Fixed Base Operators shall sublease or sublet any premises leased by such operator from the Lessor, or assign any such lease, without the prior written approval of the Lessor, and any such subletting or assignment shall be subject to all of the minimum standards herein set forth.
16. In the event the Lessee sublets any portion of this lease, the sublessee must agree to assume the full obligation of the lease as set out herein and must agree to fully cooperate with the Lessor in seeing that these standards are complied with. The sublessee shall immediately comply with any reasonable request or direction of the Lessor as it relates to the enforcement of these standards.
17. In the event that the Lessee or sublessee fails to comply fully with these standards or fails to comply with the reasonable request or direction of the Lessor as it relates to these standards, said Lessee or sublessee shall be in default. If said default continues for more than 30 days after notice of said default, the Lessor may terminate the lease. Said Lessee is responsible for the performance of the sublessee.
18. Fixed Base Operators shall have the right to use common areas and the facilities of the Airport, including runways, taxiways, aprons, roadways, takeoff, flying and landing of aircraft of Lessee.
19. Beginning with the effective date of adoption of these minimum standards, leases to Fixed Base Operators and Airport Tenants shall be limited to a maximum of 30 years, including options. In addition, leases shall, at the discretion of the Lessor, be subject to review and reevaluation at the end of each 5-year period thereof, in relation to the Consumer Price Index. In this regard, when at the end of each of said 5-year periods, the cost of living index is determined by the Lessor to be higher than the previous 5-year period, the rental terms thereof shall be increased to such percentage of increase or of said cost of living index. If at the end of such 5-year period the said cost of living index has decreased, the Lessor shall take no action to review or reevaluate the lease.

20. Lessee will, at all times during the continuance of the term of the lease and any renewal or extension thereof, conduct, operate and maintain for the benefit of the flying public, the Fixed Base Operation provided for and described therein, and provide all parts and services as defined and set forth, and will make all such services available to the public and that it will devote its best efforts for the accomplishment of such purposes and that it will at all times charge fair, reasonable and not unjustly discriminatory prices to patrons and customers for all merchandise or materials and services furnished or rendered. Notwithstanding anything contained in a lease that may be or appear to the contrary, it is expressly understood and agreed that the rights granted thereunder are nonexclusive and the Lessor reserves the right to grant similar privileges to another operator or operators upon formal application by that operator, and upon demonstration of compliance with paragraphs 4 and 5 herein.
21. All contracts and leases between such operators and the Lessor shall be subordinate to the right of the Lessor during time of war or national emergency to lease the landing area or any part thereof to the United States Government for military or naval use, and if any such lease is executed, the provisions of the lease to the Government, shall be suspended.
22. Upon adoption of these standards all leases entered into and any amendments to existing leases shall be in accordance with the standards. Present lease holders shall be granted 12 months to comply with all standards set forth.
23. The Lessee shall remove from the airport or otherwise dispose of in a manner approved by the Lessor all garbage, debris, and other waste material (whether solid or liquid) arising out of its occupancy of the premises or out of its operations. Said Lessee shall keep and maintain his leased premises in a neat and orderly manner; Lessee shall keep the grass cut and the building painted. Any garbage, debris, or waste which may be temporarily stored in the open shall be kept in suitable garbage or waste receptacles, the same to be made of metal and equipped with tight fitting covers and to be a design to safely and properly contain whatever may be placed therein. The Lessee shall use extreme care when effecting removal of all such waste.
24. The Lessor reserves the right to enter upon any premises leased to Fixed Base Operators at reasonable times for the purpose of making such inspections as it may deem expedient to the proper enforcement of these minimum standards and for the proper enforcement of any covenant

or condition of any Fixed Base Operator's contract or lease agreement.

25. The Lessor recognizes the rights of any person, firm or corporation operating aircraft on the airport to perform services on its own aircraft with its own regular employees (including but not limited to maintenance, repair and fueling) that it may choose to perform. Aircraft fueling accomplished under this provision shall be in strict accordance with Category D (1) herein and any safety regulations and/or ordinance as referenced in paragraph 11.
26. All operations conducted at the Airport will be conducted in the safest manner possible and for the maximum benefit of the flying public and the citizens for the surrounding area.
27. Where these standards call for a minimum square footage of space, and the applicant is permitted to conduct more than one activity, then such applicant shall have the minimum square footage for that activity which requires the greatest minimum square footage.
28. Standard Lease Provisions. All leases, subleases, contracts, of franchises for Airport property, or for Airport operations or use, shall contain the following standard provisions:
 - A. The right to conduct aeronautical activities for furnishing services to the public is granted the Lessee subject to Lessee agreeing:
 1. To furnish said services on a fair, equal and not unjustly discriminatory basis to all users thereof, and
 2. To charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
 - B. The Lessee for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of a said facilities, (2) that in the

construction of any improvements, on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination, (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

- C. The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart #, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. the Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertaken affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.
- D. That in the event of breach of any of the predesign nondiscrimination covenants, Lessor shall have the right to terminate the license, lease, permit, etc., and to reenter and reposes said land and the facilities thereon, and hold the same as if said lease had never been made or issued.
- E. During the time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use, and, if such lease is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.
- F. No right or privilege has been granted which would operate to prevent any person, firm or corporation operating aircraft with its own regular employees (including but not limited to maintenance, repair, and fueling) that it may choose to perform.

G. It is understood and agreed that nothing therein contained shall be construed to grant or authorize the granting of an exclusive right forbidden by Section 308(a) of the Federal Aviation Act of 1958 or for aeronautical activities such as but not limited to:

1. Charter operations.
2. Pilot training.
3. Aircraft rental.
4. Aerial photography.
5. Crop dusting.
6. Sale of aviation.
7. Air Carrier operations.
8. Aircraft sales and service incidental thereto.
9. Any other activity which, because of its direct relationship to the operation of aircraft, can be regarded as an aeronautical activity.

H. Lessor reserves the right, in a reasonable and nondiscriminatory manner, to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or views of Lessee and without interference or hindrance. However, Lessor shall notify Lessee in writing, 60 days prior to planned development.

I. Lessor shall have the right, but not the obligation, to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of Lessee in this regard.

J. All hangars, buildings, properties or land on the Airport, shall be maintained in a clean, attractive, weed free, well painted, junk free condition.

If an operator or Lessee has an area where it normally keeps damaged aircraft, aircraft parts, construction fixtures, and jigs, barrels, containers, or other unattractive items, Lessee shall enclose such an area with a screen that will hide such area from public view.

K. Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions together with the right to prevent the erection of any building or other structure on or adjacent to the Airport which would limit the usefulness of the Airport or constitute a hazard to aircraft.

- L. This agreement shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States, relative to the operation or maintenance of the Airport.
- M. Incorporated into this agreement, by reference and as though set forth herein verbatim, are the minimum standards for Fixed Base Operators and Airport Tenants adopted by the Lessor. Such minimum standards shall be lawful, reasonable and nondiscriminatory. Further, all parties hereto agree to comply with any and all laws and regulations, including those of the FAA, and will not permit the premises covered by this agreement to be used for any unlawful or improper purpose.
- N. Each Lessee shall at all times have in effect liability insurance for all of Lessee's operations in the amounts set out in the Standard for the particular activity in question and referenced in the minimum standards. Such insurance policies shall further name the Lessor as additional insured. Certificates of such insurance shall be furnished by Lessee to the Lessor and a Certificate presently then in effect shall be on file at all times.
- O. The standards and regulations enacted by the governmental agency responsible for the operation of the Airport, now or in the future, may provide for use charges to be paid by those using, occupying, or conducting operations at the Airport. Such charges may be based upon square footage, receipts or other reasonable basis, to be established by such standards and regulations. Lessee agrees to pay such charges as same are due and owing under any such standards or regulations now or hereafter in effect. Any such use charges shall be lawful, reasonable and nondiscriminatory.
- P. Lessor may, on account of the breach of any provision hereof, including the standards and regulations incorporated herein by reference, terminate this agreement and eject the party in violation in accordance with the provisions of this lease.
- Q. Lessee agrees to save and hold harmless the Lessor and its agents, servants, and employees of and from any and all liabilities, expenses, causes of action, damages and attorney's fees resulting or to result from any of Lessee's businesses, operations, occupancy, or use of the airfield, or resulting from any act or omission of Lessee's agents,

servants or employees. And this indemnity agreement shall apply and protect such Lessor and this agent, servants, and employees, even though it be contended, or even established, that said Lessor or its agents, servants, or employees were negligent, or that their conduct or omission in any way caused or contributed to any such liability, expense, damage, cause of action, or attorney's fees.

- R. The purpose of the lease and the operations to be conducted by Lessee or sublessee, and the identity of the premises to be occupied, are set forth in this lease. No other operations, business, or occupancy may be had or done without the additional written consent of the Lessor.
- S. This agreement may not be assigned, in whole or in part, nor may the premise described herein be subleased, in whole or in part, without the prior written consent of the Lessor. Such consent shall not be unreasonably withheld.
- T. In the event Lessee becomes insolvent, or the subject of any kind or chapter of bankruptcy proceeding, or if a receiver, assignee, or other liquidating officer is appointed for the business of Lessee, then Lessor may cancel this lease at Lessor's option upon giving written notice to Lessee.

FIXED BASE OPERATOR CATEGORIES

CATEGORY A - AIRCRAFT SALES

Any Lessee desiring to engage in the sale of new or used aircraft must lease and/or provide as a minimum the following:

I. LAND

Basic requirement: The leasehold shall contain ____ acres of land to provide space for building, storage of aircraft, and display.

II. BUILDINGS

Basic Requirement: Lease or construct ____ square feet of properly lighted, air conditioned, and heated space for office, public lounge, rest rooms and public use telephone.

III. PERSONNEL

Basic Requirement: One person having a current commercial pilot certificate with ratings appropriate for the types of aircraft to be demonstrated.

IV. DEALERSHIPS

Basic Requirement: New aircraft dealers shall hold an authorized factory or subdealership. All aircraft dealers shall hold a dealership license or permit if required by state.

V. AIRCRAFT

Basic Requirement: A Dealer of new aircraft shall have available or on call one current model demonstrator.

VI. SERVICES

Basic Requirement: Provide for adequate parts and servicing of aircraft and accessories during warranty periods (new aircraft).

VII. HOURS OF OPERATION

The normal operating hours will be at the operator's discretion, but he should be reasonably available to the public.

VIII. INSURANCE COVERAGE

Aircraft Liability

| | |
|---------------|-------------------------|
| Bodily injury | \$100,000 each person |
| | \$500,000 each accident |

| | |
|---------------------|---|
| Property damage | \$100,000 each accident |
| Passenger liability | \$100,000 each passenger \$500,000 each accident |

Comprehensive Public Liability and Property Damage

| | |
|---------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
|---------------|--|

| | |
|-----------------|-------------------------|
| Property damage | \$100,000 each accident |
|-----------------|-------------------------|

NOTE: The above coverages should include aircraft held for sale and demonstration by the Lessee but owned by others.

Products Liability - \$500,000 each accident (if Lessee provides aircraft services).

Amounts under the basic insurance coverage may be increased if warranted.

CATEGORY B - AIRCRAFT RENTAL

Any Lessee desiring to engage in the rental of aircraft to the public must provide as a minimum the following:

I. LAND

Basic Requirement: The leasehold shall contain ____ square feet of land to provide space for aircraft parking and building.

II. BUILDINGS

Basic Requirement: Lease or construct buildings which will provide ____ square feet of properly air conditioned, heated and lighted space for office, public lounge, rest rooms and public use telephone.

III. PERSONNEL

Basic Requirement: One airworthy aircraft owned or leased in writing to the Lessee.

V. HOURS OF OPERATION

Basic Requirement: The hours of operation shall be 8 hours a day, a minimum of 6 days a week.

VI. INSURANCE COVERAGE FOR OWNED OR LEASED AIRCRAFT

Aircraft Liability

| | |
|---------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
|---------------|--|

Property damage \$100,000 each accident

Student and Renter Pilot Coverage, Comprehensive Public Liability and Property Damage

Bodily injury \$100,000 each person
 \$500,000 each accident

Property damage \$100,000 each accident

CATEGORY C - FLIGHT TRAINING

Any Lessee desiring to engage in pilot flight instruction shall provide as a minimum the following:

I. LAND

Basic Requirement: The leasehold shall contain _____ square feet of land to provide space for Lessee's buildings and aircraft tiedowns.

II. BUILDINGS

Basic Requirement: Lease or construct a building having _____ square feet of properly air conditioned, lighted and heated floor space to provide classroom, briefing room, pilot lounge, rest rooms, office space and public use telephone.

III. PERSONNEL

Basic Requirement: One person properly certificated by FAA as flight instructor to cover the type of training offered.

IV. AIRCRAFT

Basic Requirement: The Lessee shall own or have leased to him writing one properly certificated aircraft equipped for flight instruction.

V. HOURS OF OPERATION:

Basic Requirements: The hours of operation shall be 8 hours a day, a minimum of 6 days a week.

VI. INSURANCE COVERAGE FOR OWNED OR LEASED AIRCRAFT

Aircraft Liability

Bodily injury \$100,000 each person
 \$500,000 each accident

Property damage \$100,000 each accident

Passenger liability \$100,000 each passenger
\$500,000 each accident

Student and Renter Pilot Coverage, Comprehensive Public Liability and Property Damage

Bodily injury \$500,000 each accident

Property damage \$100,000 each accident

CATEGORY D - PUBLIC AIRPORT FUELS AND OIL DISPENSING SERVICE

Lessees desiring to dispense aviation fuels and oil and provide other related services, such as tiedown and parking, shall provide as a minimum the following services and facilities:

I. LAND

Basic Requirements: The leasehold shall contain ____ square feet of land to provide for buildings, aircraft parking area equipped with six (6) tie downs and dispensing equipment.

II. BUILDINGS

Basic Requirement: Construct or lease a building providing ____ square feet of properly lighted, air conditioned and heated floor space for office public lounge, rest rooms and public use telephone.

III. PERSONNEL

Basic Requirement: One properly trained person shall be on duty during operating hours.

IV. AIRCRAFT SERVICE EQUIPMENT

Basic Requirement: Adequate fire extinguishers, aircraft engine heaters, portable pressure tanks, towing equipment, oxygen supplies, etc.

V. SERVICES

Basic Requirement: Lessee shall provide at least two grades of aircraft fuel, including 100 octane and when provided, shall meet the designated FAA specifications for the type of fuel being provided and shall be supplied only to those aircraft that have been certified under the appropriate supplemental type certificate to use this fuel.

VII. FUEL FACILITIES

Basic Requirement: One metered filter-equipped dispenser fixed or mobile for dispensing two grades of gasoline. Separate dispensing pumps and meters for each grade of fuel are required.

- A. Trucks. If Lessee elects to utilize mobile dispensing trucks, such trucks shall have a minimum capacity of 200 gallons of 100 octane. Trucks shall be properly maintained, operated and equipped in accordance with applicable FAA, Authority and National Fire Protection Association recommendations, requirements and regulations.
- B. Tank Farm. If Lessee elects to utilize fixed storage tanks, Lessee shall furnish at least one aircraft fuel storage tank with a capacity of 5,000 gallons each.
1. Fuel storage tanks shall be underground unless otherwise authorized (ground mounted if located in properly bunkered and approved closures) and such installations shall be in a location approved by the Authority in the Fuel Farm and shall comply with applicable, uniform Building Code standards, fire codes and ordinances of the Authority and recommendations of the National Fire Protection Association.
 2. Fuel storage tanks shall comply with requirements set out by Environmental Protection Agency, the FAA, and the State.
 3. All plans and specifications for improvements on Tank Farm (including landscaping) shall be prepared and presented to the Authority and shall require the written approval of the Authority before any construction or installation may be undertaken.
 4. All construction or improvement son Tank Farms shall conform with any general architectural requirements of Authority and shall be undertaken in accordance with local, State and Federal codes, ordinances and regulations now in force or hereinafter prescribed by authority of law. Lessee shall, at its sole cost and expense, obtain all necessary building permits and all labor and material bonds.
 5. Lessee shall, at its sole cost and expense, maintain fuel farm, all improvements thereon, and condition consistent with good business practice and equal in appearance and character to other similar improvements on said Airport. Lessee shall repair all damages caused by its employees, patrons, or their operation thereon; shall maintain and repair all equipment thereon; and shall keep its premises in a safe, neat, sightly and good physical condition.

6. Lessee shall, in the event it shall become necessary to make physical changes on its premises, promptly make such changes and installations at its sole expense, subject to the approval of the Authority, who in their reasonable discretion, shall be the sole judge of the quality of maintenance. Upon written notice by Authority to Lessee, Lessee shall be required to perform whatever reasonable maintenance Authority deems necessary. If said maintenance is not undertaken by Lessee within 10 days after receipt of written notice, Authority shall have the right to enter upon the demised premises and perform the necessary maintenance, the cost of which shall be borne by Lessee.

VIII. HOURS OF OPERATION

Basic Requirement: Fueling service shall be provided from 8:00 a.m. to sundown 7 days a week.

IX. INSURANCE COVERAGE

Comprehensive Public Liability and Property Damage

Bodily injury \$100,000 each person
 \$500,000 each accident

Property damage \$100,000 each accident

Hangar keepers

Liability \$100,000 each accident

Products Liability \$500,000 each accident

- X. FIRE EXTINGUISHERS will be readily available during all refueling or defueling. Personnel will be trained in the use of such equipment as well as in rescue operations. Such persons will attend all training provided by local fire Marshall or the Authority.

- XI. STATIC DISCHARGING GROUND WIRES will attached to the aircraft, the fuel tank, or refueling pit, and to zero potential (ground) before any fueling operations. Grounding rods of sufficient length to reach permanent underground moisture will be conveniently located.

- XII. ADEQUATE FUEL FILTERS AND WATER TRAPS will be installed on all fuel handling equipment and a suitable program for periodically conducting water contamination checks will be established and followed.

XIII PERSONNEL USED TO DISPENSE AIRCRAFT FUELS AND LUBRICANTS

will be trained in the proper recognition of aircraft fuel tank markings, kinds and grades of aircraft fuels and lubricant, and safety precautions necessary for fuel handling. Such personnel must either be in uniform while servicing aircraft or wear sufficient distinguishing clothing so that the public may know which person is authorized to dispense petroleum products.

XIV. IN ALL MATTERS RELATED TO AIRCRAFT FUELING SAFETY AND

SERVICING, the provisions of NFPA Manual 407 "Aircraft Fuel Servicing," together with American Petroleum Institute quality control standards, as such documents may be amended from time to time, shall be used as the basis for all airport fueling operations. Copies thereof are on file with the Airport Manager. In the event of conflict between such documents and the standards set forth herein shall control.

CATEGORY D(1) - NONPUBLIC AIRCRAFT FUELS AND OIL DISPENSING

Lessees desiring to conduct nonpublic aircraft fuel and oil dispensing shall meet the following minimum standards and provide the following minimum facilities:

Restriction: Lessees holding Nonpublic Aircraft Fuels Dispensing Permits shall not sell or deliver aircraft fuels to anyone other than Lessee. Fueling of any aircraft not owned or leased by Lessee (except in case of emergency) shall result in immediate revocation of the right to bring fuel upon, or store fuel on, airport property. Upon request by Authority Lessee shall provide evidence of ownership or lease of any aircraft being fueled. A corporation may not be formed for the expressed purpose of providing fuel services under this standard.

I. PERSONNEL

Basic Requirement: Personnel engaged in dispensing aircraft fuel shall be properly trained with regard to safety procedures.

II. FUEL

Basic Requirement: Personnel engaged in dispensing aircraft fuel shall be properly trained with regard to safety procedures.

III. FUEL FACILITIES

Basic Requirement: Metered, filter-equipped dispensers fixed or mobile for dispensing grades of gasoline required. Separate dispensing pumps and meters for each grade of fuel are required.

- A. Trucks. If Lessee elects to utilize mobile dispensing trucks, such trucks shall have a minimum capacity of 250 gallons for each fuel type provided. Trucks shall be properly maintained, operated and equipped in accordance with applicable FAA, Authority and National Fire Protection Association recommendations, requirements and regulations.
- B. Tank Farm.
1. If Lessee elects to utilize fixed storage tanks, such storage tanks for each type of fuel shall have minimum capacities of 1,000 gallons each (250 gallons for MOGAS). Fuel storage tanks shall be underground unless otherwise authorized (ground mounted if located in properly bunkered and approved closures) and such installations shall be in a location approved by the Authority in the Fuel Farm, and shall comply with applicable, uniform Building Code Standards, fire codes and ordinances of the Authority and recommendations of the National Fire Protection Association. Aviation fuel tanks shall have walk in capabilities for cleaning and maintenance.
 2. Fuel storage tanks shall comply with requirements set out by Environmental Protection Agency, the FAA, and the State.
 3. All plans and specifications for improvements on Tank Farm (including landscaping) shall be prepared and presented to the Authority and shall require the written approval of the Authority before any construction or installation may be undertaken.
 4. All construction or improvement on Tank Farms shall conform with any general architectural requirements of Authority and shall be undertaken in accordance with local, State and Federal codes, ordinances and regulations now in force or hereinafter prescribed by authority of law. Lessee shall, at its sole cost and expense, obtain all necessary building permits and all labor and material bonds.
 5. Lessee shall, at its sole cost and expense, maintain fuel farm, all improvements thereon, and all appurtenances thereto, in a presentable condition consistent with good business practice and equal in appearance and character to other similar improvements on said Airport. Lessee shall repair all damages caused by its employees, patrons, or their operation thereon; shall maintain and repair all equipment thereon; and shall keep

its premises in a safe, neat, sightly and good physical condition.

6. Lessee shall, in the event it shall become necessary to make physical changes on its premises, promptly make such changes and installations at its sole expense, subject to the approval of the Authority, who in their reasonable discretion, shall be the sole judge of the quality of maintenance. Upon written notice by Authority to Lessee, Lessee shall be required to perform whatever reasonable maintenance authority deems necessary. If said maintenance is not undertaken by Lessee within 10 days after receipt of written notice, Authority shall have the right to enter upon the demised premises and perform the necessary maintenance, the cost of which shall be borne by Lessee.

IV. INSURANCE COVERAGE

Aircraft Liability

| | |
|-----------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
| Property damage | \$100,000 each accident |

- V. FIRE EXTINGUISHERS will be readily available during all refueling or defueling. Personnel will be trained in the use of such equipment as well as in rescue operations. Such persons will attend appropriate training provided by lock Fire Marshall or the Authority.
- VI. STATIC DISCHARGING GROUND WIRES will be attached to the aircraft, the fuel tank, or refueling pit, and to zero potential (ground) before any fueling operations. Grounding rods of sufficient length to reach permanent underground moisture will be conveniently located.
- VII. ADEQUATE FUEL FILTERS AND WATER TRAPS will be installed on all fuel handling equipment and a suitable program for periodically conducting water contamination checks will be established and followed.
- VIII IN ALL MATTERS RELATED TO AIRCRAFT FUELING SAFETY AND SERVICING the provisions of NFPA manual 407 "Aircraft Fuel Servicing," together with american Petroleum Institute quality control standards, as such documents may be amended from time to time, shall be used as the basis for all airport fueling operations. Copies thereof are on file with the Airport Manager. In the event of conflict between such documents and the standards set forth elsewhere herein, the standards set forth herein shall control.

CATEGORY E - AIRFRAME AND/OR POWERPLANT REPAIR

Any Lessee desiring to engage in airframe and/or power plant repair service must provide as a minimum the following:

I. LAND

Basic Requirement: The leasehold shall contain an area of _____ square feet to provide space for all buildings and temporary parking of aircraft.

II. BUILDINGS

Basic Requirement: Lease or construct a building sufficient to provide _____ square feet of shop and hangar space meeting local and state industrial code requirements plus adequate office space. Provide public use telephone.

III. PERSONNEL

Basic Requirement: One person currently certified by FAA with ratings appropriate for work being performed who may hold an airframe and/or powerplant rating.

IV. HOURS OF OPERATION

Basic Requirement: The hours of operation shall be 8 hours a day, a minimum of 5 days a week.

V. EQUIPMENT

Basic Requirement: Sufficient equipment, tools, supplies and availability of parts to perform maintenance in accordance with manufacturers recommendations or equivalent.

VI. INSURANCE COVERAGE

Comprehensive Public Liability and Property Damage

| | |
|---------------|-------------------------|
| Bodily injury | \$100,000 each person |
| | \$500,000 each accident |

| | |
|-----------------|-------------------------|
| Property damage | \$100,000 each accident |
|-----------------|-------------------------|

Hangar Keepers

| | |
|-----------|--|
| Liability | \$500,000 each accident |
| | (coverage depends on type and number of aircraft serviced at any one time) |

CATEGORY F - AIR TAXI SERVICE

Lessees desiring to engage in air taxi service must hold an FAA Air Taxi-Commercial Operator Certificate with ratings appropriate to

the functions to be accomplished, and provide as a minimum the following:

I. LAND

Basic Requirement: The leasehold shall contain ____ square feet of land for building.

II. BUILDINGS

Basic Requirement: Lease or construct a building providing a minimum of ____ square feet of properly heated, air conditioned and lighted space for office, public lounge, rest rooms and public use telephone.

III. PERSONNEL

Basic Requirement: One FAA certificated commercial pilot who is appropriately rated to conduct air taxi service offered.

IV. AIRCRAFT

Basic Requirement: One four-place aircraft meeting all the requirements of the Air Taxi-Commercial Operator Certificate held.

V. HOURS OF OPERATION

Basic Requirement: The hours of operation shall be 8 hours a day, a minimum of 6 days a week.

VI. INSURANCE COVERAGE

Aircraft Liability

| | |
|---------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
|---------------|--|

| | |
|-----------------|-------------------------|
| Property damage | \$100,000 each accident |
|-----------------|-------------------------|

| | |
|---------------------|---|
| Passenger liability | \$100,000 each passenger \$500,000 each accident |
|---------------------|---|

Comprehensive Public Liability and Property Damage

| | |
|---------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
|---------------|--|

| | |
|-----------------|-------------------------|
| Property damage | \$100,000 each accident |
|-----------------|-------------------------|

CATEGORY G - RADIO, INSTRUMENT, OR PROPELLER REPAIR SERVICE

Lessees desiring to provide a radio, instrument or propeller repair service must hold an FAA repair station certificate and ratings for same and provide as a minimum the following:

I. LAND

Basic Requirement: The leasehold shall contain ____ square feet of land for building.

II. BUILDINGS

Basic Requirement: Construct or lease building providing ____ square feet of properly lighted, air conditioned and heated space to house office, restroom facilities and minimum shop and hangar space as required for FAA repair shop certification. Public use telephone.

III. PERSONNEL

Basic Requirement: One FAA certificated repairman qualified in accordance with the terms of the Repair Station Certificate.

IV. HOURS OF OPERATION

Basic Requirement: The hours of operation shall be 8 hours a day, a minimum of 5 days a week.

V. INSURANCE COVERAGE

Hangar Keepers

Liability \$_____ each accident

Products Liability \$_____ each accident

Note: Insurance coverage limits appropriate to risk exposure.

Comprehensive Public Liability and Property Damage

Bodily injury \$100,000 each person
\$500,000 each accident

Property damage \$100,000 each accident

CATEGORY H - AERIAL APPLICATIONS

Lessees desiring to engage in aerial application operations must hold an Agricultural Aircraft Operator Certificate issued by the FAA; comply with requirements of the State and political subdivisions thereof; and provide as a minimum the following:

I. LAND

Basic Requirement: Leasehold shall contain ____ square feet of land to provide for buildings, aircraft parking and tiedown, and parking space for loading vehicles and equipment.

II. BUILDINGS

Basic Requirement: Lease or construct ____ square feet of building space for office and storage. Telephone.

III. PERSONNEL

Basic Requirement: One person holding current FAA commercial certificate, properly rated for the aircraft to be used and meeting the requirements of appropriate FAA Regulations and applicable regulations of the State.

IV. AIRCRAFT

Basic Requirement: One aircraft which will be airworthy, meeting all the requirements of appropriate FAA Regulations and applicable regulations of the State. This aircraft shall be owned or leased by agreement in writing and based on the Lessee's leasehold.

V. FACILITIES

Basic Requirement: A segregated chemical storage area protected from public access. Wash down of agricultural spraying aircraft and flushing of aircraft spray tanks will be accomplished only in areas so designated and in accordance with applicable EPA, State Water Commission, State Department of Agriculture, and State Department of Health rules and regulations. Empty chemical containers will be disposed of in accordance with applicable federal and State laws.

VI. HOURS OF OPERATION

Available on call 24 hours during the normal aerial application season.

VII. INSURANCE COVERAGE

Aircraft Liability

| | |
|---------------|-------------------------|
| Bodily injury | \$100,000 each person |
| | \$500,000 each accident |

| | |
|-----------------|-------------------------|
| Property damage | \$100,000 each accident |
|-----------------|-------------------------|

Comprehensive Public Liability and Property Damage

| | |
|---------------|-------------------------|
| Bodily injury | \$100,000 each person |
| | \$500,000 each accident |

| | |
|-----------------|-------------------------|
| Property damage | \$100,000 each accident |
|-----------------|-------------------------|

VIII Agricultural spraying operations will be conducted in accordance with procedures approved by the Authority and

only from the areas designated on the Airport. Careless handling of chemicals, indifference toward policy of the area, or intimidation of other aircraft users will not be tolerated.

CATEGORY I - SPECIALIZED COMMERCIAL FLIGHT SERVICES

Lessees desiring to engage in the specialized commercial air activities including but not limited to those listed below shall provide as a minimum the following:

Banner towing and aerial advertising
Aerial photography or survey
Fire fighting or fire patrol
Powerline or pipe line patrol
Any other operations specifically excluded from Part 13 of the Federal Aviation Regulations

I. LAND

Basic Requirement: Leasehold shall contain ___ square feet of land to provide for buildings, aircraft parking and tiedowns.

II. BUILDINGS

Basic Requirement: Construct or lease ___ square feet of properly heated and lighted floor space for office. Telephone.

III. PERSONNEL

Basic Requirement: One person having a current Commercial Pilot Certificate with appropriate ratings for the aircraft to be flown.

IV. AIRCRAFT

Basic Requirement: One properly certificated aircraft owned or leased in writing to the Lessee.

V. HOURS OF OPERATION

Basic Requirement: The normal operating hours will be at the operators discretion, but he should be reasonably available to the public.

VI. INSURANCE COVERAGE FOR OWNED OR LEASED AIRCRAFT

Aircraft Liability

| | |
|-----------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
| Property damage | \$100,000 each accident |

Comprehensive Public Liability and Property Damage

| | |
|-----------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
| Property damage | \$100,000 each accident |

CATEGORY J - MULTIPLE SERVICES

Lessees desiring to engage in two or more commercial aeronautical activities must provide as a minimum the following:

I. LAND

Basic Requirement: the leasehold for multiple activities shall contain _____ square feet of land to provide space for specific use area requirements established for the service to be offered (specific use spaces need not be additive where combination use can be reasonably and feasibly established).

II. BUILDINGS

Basic Requirement: Lease or construct a building containing _____ square feet to provide properly lighted, air conditioned and heated space for specific use area requirements established for the service to be offered (specific use space need not be additive where combination use can be reasonably and feasibly established). Repair stations must provide minimum shop and hangar space as required by FAA repair shop certification.

III. PERSONNEL

Basic Requirement: Multiple responsibilities may be assigned to personnel to meet personnel requirements for all activities.

IV. AIRCRAFT

All requirements for aircraft for the specific activities to be engaged in must be provided; however, multiple uses can be made of all aircraft, except aerial applicable aircraft, to meet these requirements. IN order to meet these requirements, however, a minimum of two aircraft must be owned or under the direct control of the Lessee and based on the Lessee's leasehold.

V. EQUIPMENT

All equipment, specifically required for each activity, must be provided.

VI. SERVICES

All services specifically required for each activity must be provided during the hours of operations.

VII. HOURS OF OPERATION

The Lessee will adhere to the operating schedules required for each activity.

VIII. INSURANCE COVERAGE

The Lessee will obtain the highest single coverage in the amounts established for each type of insurance required for the specific activity.

CATEGORY K - FLYING CLUBS

In an effort to foster and promote flying for pleasure, develop skills in aeronautics, including pilotage, navigation, and an awareness and appreciation of aviation requirements and techniques, the category of Flying Clubs is added to the Standards of the Airport.

All flying clubs desiring to base their aircraft and operate on the airport must comply with the applicable provisions of these standards and requirements. However, they shall be exempt from regular Fixed Base Operator requirements upon satisfactory fulfillment of the conditions contained herein.

- I. The club shall be a nonprofit entity (corporation, association or partnership) organized for their personal use and enjoyment only. The ownership for the aircraft must be vested in the name of the flying club (or owned proportionately by all of its members). Each member must be a bonafide share owner of the aircraft or a stockholder in the corporation. The property rights of the members of the club shall be equal and no part of the net earnings of the club will inure to the benefit of any member in any form (salaries, bonuses, etc.). The club may not drive greater revenue from the use of its aircraft than the amount necessary for the operations, maintenance and replacement of its aircraft.
- II. Flying clubs may not offer or conduct charter, air taxi, or rentals of aircraft operations. They may not conduct aircraft flight instruction except for regulator members, and only members of the flying club may act as pilot in command of the aircraft except when receiving dual instruction. No flying club shall permit its aircraft to be utilized for the giving of flight instruction to any person, including members of the club owning the aircraft, when such person pays or becomes obligated to pay for such instructions, except when instruction is

given by a Lessee based on the airport who provides flight training. Any qualified mechanic and/or instructor who is registered member and part owner of the aircraft owned and operated by a flying club shall not be restricted from doing maintenance work and/or giving instruction in aircraft owned by the club, so long as the club does not become obligated to pay for such maintenance work or instruction, except that such mechanics and instructors may be compensated by credit against payment of dues or flight time.

- III. All flying clubs and their members are prohibited from leasing or selling any goods or services whatsoever to any person or firm other than a member of such club at the airport except that said flying club may sell or exchange its capital equipment.
- IV. A flying club shall abide by and comply with all Federal, State and local laws, ordinances, regulations and the Rules and Regulations of this airport management.
- V. The flying club, with its permit request, shall furnish the airport management a copy of its charter and bylaws, articles of association, partnership agreement or other documentation supporting its existence; a roster, or list of members, including names of officers and directors, and investment share held by each member to be revised on a semi-annual basis; evidence of insurance in the form of a Certificate of Insurance with hold harmless clause in favor of the airport, its officers and employees (10 days prior notice of cancellation shall be filed with airport management); number and type of aircraft; evidence that ownership is vested in the club; and operating rules of the club. In addition, the club shall maintain a set of books showing all club income and expenses. Said books shall be available for inspection by airport management to determine compliance with this provision.

VI. INSURANCE COVERAGE

Comprehensive Public Liability and Property Damage

| | |
|-----------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
| Property damage | \$100,000 each accident |

- VII. A flying club which violates any of the foregoing, or permits one or more members to do so, will be notified in writing of the violation and given 10 days in which to correct said violation. Should such violation not be corrected within 10 days, a public hearing will be held for the purpose of considering termination of tenancy.

CATEGORY L - AIRPORT TENANT

A person having the use designation of "Airport Tenant" shall be limited to the following and only the following uses:

Storage of wholly owned or leased aircraft and service and maintenance on wholly owned or wholly leased aircraft.

Such person may provide fuel for owned or leased aircraft, but only after meeting the requirements of (d(1)) "Nonpublic Aircraft Fuels and Oil Dispensing". Such person shall not hangar aircraft owned by others, nor offer, nor provide, for financial gain, any services whatsoever to others, except, however, other's aircraft may be temporarily hangared without compensation.

*"Temporarily" means less than 60 days in any one calendar year.

I. INSURANCE COVERAGE

Aircraft Liability

| | |
|---------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
|---------------|--|

| | |
|-----------------|-------------------------|
| Property damage | \$100,000 each accident |
|-----------------|-------------------------|

| | |
|---------------------|---|
| Passenger Liability | \$100,000 each passenger \$500,000 each accident |
|---------------------|---|

Comprehensive Public and Property Damage

| | |
|---------------|--|
| Bodily injury | \$100,000 each person \$500,000 each accident |
|---------------|--|

| | |
|-----------------|-------------------------|
| Property damage | \$100,000 each accident |
|-----------------|-------------------------|

II. The Standard Lease Provisions (a) and (c) shall not be applicable.

III. Due to the vast variety of single and multioccupancy hangar, a single, minimum standard for building and acreage is not established. Therefore, each application under this standard will be considered on its own merits.